

Sheila Stoeller

OPEN MEETING AGENDA ITEM



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From: HummelRajca, Sara [Sara.HummelRajca@mail.house.gov]  
Sent: Wednesday, June 23, 2010 12:45 PM  
To: **ORIGINAL** Giancarlo Estrada  
Cc: Sheila Stoeller  
Subject: Letters to be attached to SSVEC Rate Case  
Attachments: Article on Arizona, Huffington Post 6-23-10.pdf

E-01575A-08-0328

E-01575A-09-0453

Hello Giancarlo,

I am not sure if it's a possibility, but a group of Sonoita citizens are asking that the hearing on the SSVEC rate case be moved to Tucson.

Also, below are two emails to be attached to the case and also the article that is attached.

Thank you for your help.

Sara

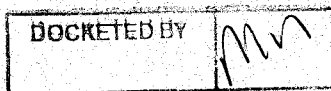
Sara Hummel Rajca  
Congresswoman Gabrielle Giffords, AZ-8

Arizona Corporation Commission

**DOCKETED**

JUN 29 2010

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ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

2010 JUN 29 A 9:14

RECEIVED

Re: Sulphur Springs Valley Cooperative Inc.'s response to Intervenor Susan Scott's Request for Postponement of Consideration of Recommended Opinion and Order

Dear Chairman Mayes and Commissioners:

On June 18, 2010, Mr. Bradley Carroll, attorney for Sulphur Springs Valley Cooperative, Inc., submitted a response to my request for postponement and venue change in the Open Hearing for the 252 petition to the Arizona Corporation Commission. Mr. Carroll in his response indicates that "SSVEC has received numerous calls from members of the public (both for and against the 69kV line) who are interested in attending the Open Meeting." Yet he fails to respond to my request for a venue change that would actually allow those many members to attend the meeting in Tucson. To think that many of those members will be able to travel to Phoenix is not realistic, unless, of course, SSVEC is again providing complimentary bus service to chosen members as they have previously done.

Mr. Carroll points out that it is critical that SSVEC be able to complete construction of the 69kV line and substation prior to the winter peak of 2011-2012 and any delay would further jeopardize this. How can a two week delay have any impact whatsoever on this schedule? Furthermore, SSVEC has already testified that they will be unable to meet this winter peak even if construction began in May, 2010.

Finally, and most absurdly, Mr. Carroll suggests that I, as an intervenor, need not attend the Open Meeting in person because I have already provided the commission with my comments. Yet he goes on to request that Mr. Shlatz, one of their witnesses, who also fully testified at the hearing, attend "at the convenience of the commissioners." I find this suggestion insulting.

I urgently request that you consider my request to delay the hearing ONLY two weeks and, more importantly, grant my request for a venue change to Tucson to allow the many members who do want to attend this very important meeting but are not doing so at the behest of SSVEC.

Respectfully yours,

Susan Scott

**Sue Downing  
HC 197  
Elgin, AZ 85611**

**June 23, 2010**

Chairman Kristan Mayes  
Vice-Chairman Gary Pierce  
Commissioner Paul Newman  
Commissioner Sandra O. Kennedy  
Commissioner Bob Stump

Re: Sulphur Springs Valley Electric Cooperative, Inc. (Rates/Moratorium)  
Docket **E-01575A-08-0328** and **E-01575A-09-0435**

Dear Chairman Mayes and Commissioners,

As an intervenor in one of the above captioned dockets I submit:

I am and will be on a work assignment in Texas through early July and cannot attend the June 29 Open Meeting. I have submitted my comments in the joint Intervenor's Exception filing on 10 June. My witness Mr. Magruder submitted his separately.

Because the cooperative has insisted this 40-252 issue be handled expeditiously on the "fast track", requesting a delay would probably be denied, however, a two-week delay should be acceptable so that two of the three intervenors (myself and Ms. Scott) can be present.

***My conclusions and recommendations remain as stated throughout these proceedings, that there are other options, including a combination of those in the Feasibility Study that are less expensive and have less environmental damage, that improve reliability and increase capacity, and that will lead to the Sonoita, Elgin, and Patagonia area being a renewable energy "model" for rural communities. This is my vision and I hope for your concurrence at this Open Meeting.***

Our cooperative cannot envision any other solution than the one they thought of nearly 30-years ago, late in the last century, which is most unfortunate for our communities.

At the hearing in March 24-26, 2010 SSVEC monopolized the hearing taking 2 ½ days of the 3 hearing days leaving little time for our case, as the hearing was to be terminated on the 3<sup>rd</sup> day. Mr. Magruder, my star witness, was not given a chance to rebut the continued attacks on his direct testimony by SSVEC in the prior 2 ½ days. He was called to the stand after 5 PM on the Friday before the long Memorial Day weekend. The Staff had not presented its case. Nearly his first words were "we might be here till midnight" but he was rushed off within 45 minutes barely responding to a few of the many misleading comments by SSVEC's "public comments" and witnesses.

Mr. Magruder was also recovering from a heart attack and connected to remote heart monitoring devices at the hearing. I believe it would have been just and prudent to call for a recess, giving Mr. Magruder time to recover and properly take his seat at the witness stand to testify and respond to cross-examination on a different day.

Since this time was not allotted, Mr. Magruder submitted a written response to clarify prior testimony at the hearing. The cooperative could have responded, but chose to strike Mr. Magruder's response, possibly because Mr. Magruder's testimony contained too many facts that incriminated the cooperative.

I respectfully request the Commission reject the Recommended Opinion and Order and return this proceeding to the ALJ to conclude the hearings. This also will allow him to fully testify without prejudice to his medical condition.

I have submitted comments in the joint Exception of June 10, 2010, and now I respectfully request that the Commission's final review and decision be postponed on this 40-252 petition for two weeks to allow myself and another Intervenor to attend.

In addition, I respectfully request that the venue for this matter be moved to Tucson. This is far too important to our communities to not conduct it at a time place where many of the concerned Citizens and intervenors can attend.

In addition I would like to thank you for your consideration,

Respectfully yours,

Sue Downing

June 23, 2010

[This is the print preview: Back to normal view »](#)

**Jeff Biggers**

Author, "Reckoning at Eagle Creek: The Secret Legacy of Coal in the Heartland"

Posted: June 22, 2010 08:55 AM

## **Arizona's Other Problem: Will Big Coal Power Line Destroy Solar Boom, Endangered Grasslands, Pioneer Heritage?**

The showdown in sunny Arizona now turns to clean energy versus dirty coal.

Strangely enough, while the state infamously cracks down on immigrant rights, some residents claim their borderlands utility company is reportedly locking its customers into a costly and toxic dirty-energy future to cater to the potential demands of a Canadian mining operation.

In the historic corridor of Arizona's Apache, Buffalo Soldiers and our nation's oldest cowboy heritage, clean energy advocates in southern Arizona say the Sulphur Springs Valley Electric Cooperative (SSVEC) is proposing a wildly unnecessary and increasingly prohibitive coal-fired power line that could effectively destroy a unique grassland habitat in the southern Arizona desert region for nearly two dozen endangered or threatened species, raze a nearly 200-year-old historic Spanish-land-grant Babacomari ranch, displace needed film and rural jobs, and ultimately raise utility rates.

"Once a power line is constructed, it can't be undone," says bewildered area resident and Mountain Empire Energy Project member Gail Getzwiller. "So what's going on?"

The answer to that question for many southern Arizona residents has nothing to do with the energy needs of local consumers. It has to do with the needs of Canadian mining company, Wildcat Silver. They point to the preparation of Wildcat Silver's huge open pit mine, just south of Patagonia. Says Wildcat Silver CEO Chris Jones: "The Hardshell deposit is emerging as one of the most important silver and manganese development projects in the US." Wildcat Silver shareholder reports an estimated net present value totaling \$295 million--

or \$450 million, depending on market rates.

### Dirty coal for dirty silver?

Despite its sunny image, southern Arizona is already saddled with seven "high hazardous" toxic coal ash dumps. On America's classic home on the range, nothing but discouraging words are being uttered about the increasing human and social costs of dirty coal. Residents point to a secret EPA study on coal ash dumps released last year that estimated "up to 1 in 50 nearby residents could get cancer from exposure to arsenic leaking into drinking water wells from unlined waste ponds that mix ash with coal refuse. Threats are also posed by high levels of other metals, including boron, selenium and lead."

In fact, the nearby Apache Generating Station has been ranked as one of the worst coal-fired polluters in the nation.

Enter the pioneers of southern Arizona -- for solar energy.

Seeking to shift away from Arizona's dependence on dirty coal, a remarkable Mountain Empire Energy Project citizens movement sprang up in the ranching area for clean energy development and energy efficiency with extraordinary success. Thanks to local efforts to explain the rebate incentive program, SSVEC was recently crowned the nation's "top utility in terms of increased utilization of solar power based on watts per customer." Last month, in fact, the Solar Electric Power Association conferred the national honor on SSVEC for being a leader in the "utility industry's transition to a future that includes solar power as an important part of the solution to the nation's energy issues."

Recognizing the huge waiting list for solar photovoltaic systems, SSVEC CEO Creden W. Huber even hailed his cooperative's desire to look to "renewable energy options to help meet the increasing demand for electricity here in Southeast Arizona."

So why, asks Getzwiller, with renewable energy booming does SSVEC want to hurriedly build a massive and controversial 69,000 volt (69kV) coal-fired-powered sub-transmission line that far surpasses the needs of the area?

Misguided and unnecessary power line proposals abound across the country, of course-- West Virginia residents have been fighting a similar battle for years with the massive Potomac-Appalachian Transmission Highline (PATH).

But this spring, despite an independent study that supported the SSVEC's position on the lack of renewable energy options, Getzwiller openly questioned the hidden agenda of SSVEC in an op-ed:

SSVEC presently serves our communities with a 7 megawatt-capable power line. The recent feasibility study states: "Most of this feeder load is less than 5 megawatts." The study shows our communities at the very most will need only 1.5 additional megawatts by 2019 that's a total of 6.5 needed and a capability of 7. We don't need the added capability for 60 or more megawatts. There is no electric emergency here. We averaged three hours of customer outage each year for the past decade. The study shows this area's performance was better than the national

standard. The feasibility study describes options other than the power line to meet our needs include locally generated renewable energy; distributed energy from natural gas generators whenever peak loads are approached; effective time of use rates and demand side management programs. These options are significantly more economical than the proposed and more expensive high voltage power line.

Citing future rate hikes, Getzwiller concludes:

Unless we find another solution for our energy future, our rates will continue to go up every year. The 69kV is just the first step to locking us into dependence on expensive coal-generated energy, energy when less expensive renewable energy is a viable alternative. What is the real reason for constructing a system capable of 60 megawatts when we won't need more than 10 megawatts total? What is the motivation?

What's behind the SSVEC frenzy to put in this line? There is a much bigger picture!

At an upcoming public hearing before the Arizona Corporation Commission next week, southern Arizona residents hope the truth behind that bigger picture and SSVEC's machinations will be discussed. Meanwhile, the nation will be watching whether Arizona continues to be pioneers in solar energy, or locked into a dirty coal past.

#### **Books & More From Jeff Biggers**